

HR Personnel

System Procedures and Internal Control Questionnaire

Plan Name:

PYE:

Date:

Purpose

The questions below are meant to give the EP examiners an understanding of the communication between the HR personnel and the plan administrator as well as the records system used by the Employer to operate the plan.

HR and Personnel Responsibilities

1. Interview conducted with or data supplied by:

Name:

Title:

2. Is there a separate HR/Personnel department (Structure - how it is run in coordination with the organization)?

3. Who manages/supervises that department/function?

Name:

Title:

a) If there are different departments under #2, who are they and what are their functions?

4. Describe the process that interfaces the hiring & termination events with benefits delivery:

5. Are detailed personnel records kept manually or computerized? If more than one personnel or HR dept (ex. - controlled group), how are the employee records merged for purposes of plan data? What do you do to assure this service is properly accounted for under the plan? (Personnel includes any other individuals who perform services for the company -including leased employees; contract service employees) (Do you have "outsource employees" working on site and what do they do?)

6. What records are maintained when an employee is hired?

a) Copy in Employee file/recording?

7. How are transferred and rehired employees handled? How is this communicated to the plan administrator, record keeper or other third parties? What recordkeeping/payroll or HR practices are in place to assure rehired employees are not handled as "new hires" & prior service is credited?
8. How is a change in work status communicated (example: part-time to full-time or vice versa) within the organization and to the plan administrator, HR, record keeper or other third party that participates in operating the plan?
9. What record is used to verify identity, DOB, SSN, legal work status, & marital status?
- a) Copies in Employee file? If not, where kept?
 - b) How often is this information updated and how are the updates communicated/completed?
10. What process is in place to communicate/capture the hours worked by the employee to the administrator or other third party administrator? Explain how determined:
11. How is this information communicated to the Plan Administrator?
- a) If done via electronic transfer - who does the transfer and where are records of transfer maintained?
12. Is there an Employee Benefit Guide / Manual?
- a) How often updated and communicated?
 - b) Can you provide a copy of the manual?
13. Do you have any leased employees?
- a) Are there any contract employees and how is their pay reported?
 - b) If so, who is responsible for classifying them as leased or contract employee?
 - c) If leased employees are hired as a regular employee how is the prior service communicated and accounted for?
14. Do you have any interns or co-ops employees?
- a) If interns or co-ops employees are hired as a regular employee how is the prior service accounted for?
15. How is qualified military service accounted for under 414(u)?
16. How are your plan controls, including practices and procedures, communicated to new personnel as turnover occurs in your department?

Summary of findings:

Conclusion as to procedures and internal controls - HR Personnel: